



California Public Employees' Retirement System
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Agenda Item 3a

June 14, 2011

TO: MEMBERS OF THE PERFORMANCE AND COMPENSATION COMMITTEE

I. SUBJECT: 2011-2012 Performance Plans for the Chief Executive Officer, Chief Actuary and General Counsel (Second Reading)

II. PROGRAM: Administration

III. RECOMMENDATIONS: Recommend the Board Approve the Second Reading of the Performance Plans for the Chief Executive Officer, Chief Actuary and General Counsel

IV. ANALYSIS:

The Board of Administration's Compensation Policies and Procedures include a schedule for approving incentive plans for the coming fiscal year. The 2011-2012 performance plans for the Chief Executive Officer, Chief Actuary and General Counsel are presented with this item for second reading.

Consistent with the first reading presentation in May, the 2011-12 Business Plan and Management Drivers accompany the attached performance plans. No changes to the performance plans have been made since first reading.

V. STRATEGIC PLAN:

Under Goal III of the Strategic Plan, CalPERS is committed to sustaining a high performance work culture. This can be accomplished at the highest executive levels through the establishment of methods that provide broad flexibility in the recruitment, retention and compensation of key personnel.

VI. RESULTS/COSTS:

The establishment of performance plan measures is critical to the management of a competitive compensation program for executives at the highest levels of the organization. This, in turn, is critical to the success of the organization. The cost of performance awards that might arise from the recommendations in this item will be funded from existing resources.

MICHAEL A. WILLIHNGANZ, Chief
Human Resources Division

STEPHEN W. KESSLER
Deputy Executive Officer
Operations and Technology

Attachments

2011-12 Performance Plans

The FY 2011-12 performance plans are presented in the following order for second reading:

Position	Incumbent
Chief Executive Officer	Anne Stausboll
Chief Actuary	Alan Milligan
General Counsel	Peter Mixon